

#### Highlights in the Foreign Exchange Market:

- The month of July proved strong for the US stock market, while August historically ranks as one of the weakest months of the year for major indexes. Nasdaq is up 12.1% this year, performing as one of the top indexes for the year. In contrast, the S&P 500 rose 5.4%, while Dow rose only 3%. The weaker gains of Dow have been attributed to the rising trade war tensions, given that it is more heavily weighted toward multinational stocks, while Nasdaq was strengthened by high-earning tech names. Summer months have proven risky for Wall Street in the past, proven to be seasonally weak periods for markets. So far in July, Dow is up 4.3%, the Nasdaq is up 1.4%, and the S&P gained 3%.
- In China, concerns rise about the outlook for the world's second largest economy as Beijing's campaign to cut debt and emissions have spiked borrowing costs, while trade tensions seem to be intensifying with the US. China's manufacturing PMI hit an 11-month low in July, as slowing manufacturing and construction activities weighed heavy on the sector. The National Bureau of Statistics reported nonmanufacturing PMI fell to 54.0 in July from 55.0 in June.
- The yen fluctuated after the BOJ kept its interest rates unchanged; only reducing the amount of bank reserves. Unemployment dropped to 1.68 million in June, declining 12.5% from the previous year. Japanese Industrial production for June came in at -1.2%, while expectations were at 0.6%. BOJ monetary policy decision is due today as investors keep a close eye. Japan's Nikkei fell early Tuesday, later making up for it and was last down 0.3%. The Japanese yen was little changed at 111.08.

Equities  
S&P 500 Index



FX  
USD/KWD



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1610	1.1660	1.1711	1.1760	1.1815
GBP	1.3025	1.3075	1.3125	1.3175	1.3225
JPY	110.00	110.50	111.04	111.55	112.05
CHF	0.9770	0.9825	0.9873	0.9925	0.9975

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1704	(2.38)	EUR/GBP	0.8911	0.43
GBP/USD	1.3131	(2.86)	GBP/JPY	145.84	(4.02)
USD/JPY	111.06	(1.30)	EUR/JPY	129.98	(3.65)
USD/CHF	0.9881	1.34	EUR/CHF	1.1568	(1.08)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1719 level during Monday's trading session and currently trading at 1.1711 EUR/USD Support is at (1.1590-1.1610) any break below targets 1.1500 Short term outlook is neutral. However, medium term outlook remains bearish.

USD/JPY: The pair moved up to the 111.16 level during Monday's trading session and currently trading at 111.04 USD/JPY Support is at (109.80-110.00) any break below targets 108.15 Short term outlook is neutral, However, medium term outlook remains bearish.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.81	2.06	2.31	2.56
USD	1.96	2.08	2.34	2.53	2.82
EUR	-0.43	-0.40	-0.36	-0.32	-0.23
GBP	0.58	0.67	0.79	0.90	1.05
CHF	-0.80	-0.78	-0.72	-0.65	-0.51
AUD	1.84	1.84	2.09	2.05	2.25

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
29-Jul-18	JPY	Retail Sales y/y	1.8%	1.7%	0.6%
30-Jul-18	JPY	Unemployment Rate	2.4%	2.3%	2.2%
31-Jul-18	USD	CB Consumer Confidence		126.5	126.4
1-Aug-18	GBP	Manufacturing PMI		54.2	54.4
1-Aug-18	USD	Crude Oil Inventories			-6.1M
1-Aug-18	USD	Federal Funds Rate		<2.00%	<2.00%
2-Aug-18	GBP	BOE Gov Carney Speaks			
2-Aug-18	GBP	BOE Inflation Report			
3-Aug-18	USD	Non-Farm Employment Change		193K	213K
3-Aug-18	USD	Unemployment Rate		3.9%	4.00%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.41	2.65	2.82	2.94	3.06
Germany	-0.71	-0.61	-0.20	0.44	1.09
United Kingdom	0.71	0.78	1.07	1.35	1.80
Japan	-0.13	-0.12	-0.10	0.05	0.74

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	73.14	0.16	Dow Jones	25,306.83	(0.57)
Brent	75.63	(0.03)	Nikkei 225	22,569.03	24.19
West Texas	70.81	(1.05)	S&P 500	2,802.60	(0.58)
Gold	1,221.60	0.02	KuwaitSE	5,214.58	0.00

All information has been sourced from Reuters.

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